

**PRO BONO COMMUNITY**  
(A Charitable Incorporated Organisation)

**TRUSTEES' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31ST AUGUST 2021**



**PRO BONO**  
COMMUNITY

**Charity No: 1153220**  
**Company No: CE000028**

# **PRO BONO COMMUNITY**

## **TRUSTEES' REPORT AND ACCOUNTS**

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**PRO BONO COMMUNITY**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31ST AUGUST 2021**

The trustees present their annual report and financial statements of the charity for the year ended 31st August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

**OUR PURPOSE AND ACTIVITIES**

As set out in its constitution, Pro Bono Community's vision is to improve access to justice through legal education and to act in the public benefit through:

- (a) The advancement of legal education and the study of law;
- (b) The prevention and relief of poverty, hardship and distress through the promotion of effective legal education and training in the areas of law most likely to affect those in poverty or need and to benefit of those in poverty or need and the provision of free legal advice and assistance to people who are unable to afford to pay for such advice; and
- (c) The promotion of the sound administration and development of the law.

**Aims and Objectives**

Pro Bono Community ('PBC') is a registered charity which provides specialist training to equip lawyers, trainees, and law students with the skills and expertise to become effective volunteers, before placing them in advice agencies. By training volunteers and providing them with volunteering placements, we aim to increase the amount – and improve the quality – of free legal advice, in the areas of law most affecting those in need.

We have developed rigorous, specialised training courses, which are delivered by experts in the relevant field. These courses, some of which are integrated into university undergraduate and postgraduate degree programmes, aim to improve the quality of education in the advice sector in general.

We also arrange placements for the volunteers in advice agencies and seek to help those organisations overcome the constraints on their capacity to use more volunteers effectively. Attendees of PBC's training gain valuable skills and experience in areas of the law they are unlikely to have come across either in law school or practice. We hope that our training will serve to embed the pro bono culture in the hearts and minds of young lawyers and that many of them will go on to become champions for volunteering and pro bono work in their future careers. We are increasingly making use of technology in innovative ways to achieve our aims.

The charity's key goals over the past year were to:

- Build on the success of the first four years of the student volunteer training and placement project funded by City Bridge Trust and maintain the level of impact over the final year of the current grant;
- Consolidate the relationships with City University, LSE and University of Westminster and encourage other universities to adopt similar models integrating PBC's training into mainstream legal education;
- Seek to expand PBC's activities outside London, particularly using the opportunity presented by the growth of remote working to link advice agencies in the regions with students based in London and elsewhere;
- Develop grant applications, which apply the training and placement model PBC has developed and lessons learned from the first six years of the charity's activities, and apply them to specific projects, particularly ones including dedicated resource for volunteer supervision and addressing the needs of people whose lives have been adversely affected by Covid-19 and its consequences; and
- Continue to refine the training material delivered by PBC and expand into new areas where a potential demand can be identified.

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**Activities**

**Overview:** PBC's seventh full year of operations was dominated by the impact of the Covid-19 pandemic on both wider society and the charity itself. Following the national lockdown in March 2020 it became increasingly probable that the charity would need to undertake a radical programme of change if it was to remain operational by moving all its activities online and operating remotely. We made preparations to achieve this over the summer of 2020 and, in the year to August 31st 2021, all our training was delivered online and the vast majority of volunteering placements we arranged were remote.

Given that we had never delivered any online training or arranged any remote volunteering placements previously, the trustees believe it is a considerable achievement that the charity's overall level of activity was at least on a par with that of previous years. Having said that, there were considerable challenges, not least the difficulty in arranging volunteering placements at a time when advice agencies were struggling to adapt to remote working practices. It took much longer to find placements than in previous years and, although PBC was able to find placements for all those who wanted them, many started later in the year or took longer to induct and become operational than we would have wished. In the year from September 2020, PBC trained cohorts of lawyers, trainees and students from law firms and universities including Freshfields Bruckhaus Deringer, Morgan Lewis, City University, University of Westminster, LSE, University College London, the University of Law, Goldsmiths, BPP and Royal Holloway. The income derived from sales to law firms and universities was supplemented by grant income from Tudor Trust, City Bridge Trust, London Community Response Fund and the National Lottery Community Fund.

**Areas of Law:** PBC has developed modular training courses in a variety of areas of social welfare law. The charity continued to refine its training by tailoring it to the particular needs of clients and advice agencies and offering flexibility in terms of content, format, duration, schedule and venue. The training comprises a general introduction to legal advice and the practical skills involved in volunteering before going on to focus on specialist legal advice topics including welfare benefits, housing and employment law. Over the spring and summer of 2020, the charity put considerable effort into making its existing training content suitable for digital learning and researched remote learning platforms so that we were ready to provide our training online if circumstances demanded it which, as it turned out, they did. All the training we provided during the year was delivered online and it was necessary to adapt and revise much of the content to make it suitable for digital delivery.

**Volunteers:** 217 people attended PBC training programmes during the year. The vast majority of these volunteers went on to undertake volunteering placements at Law Centres and advice agencies and play their part in addressing the need for free legal help, a demand which was exacerbated by the pandemic, particularly in certain areas of social welfare law. In most cases, PBC facilitated these volunteering placements through the network of Law Centres and advice agencies with which it has developed relationships, although law firm Morgan Lewis commissioned training in order to support its own partnerships with advice agencies. Many advice organisations took time to adapt to remote working and often volunteers were the last to be set up to work from home. Consequently, it took much longer than previous years to arrange placements and then to induct the volunteers and get them started with many not beginning their placements until well into 2021. Inevitably, this reduced the output of volunteers in comparison with previous years and caused some to drop out before completing their placements. Nevertheless, Pro Bono Community found placements for everyone who wanted one and, as set out below, maximised outputs by continuing to manage and monitor the 2020-21 cohort of volunteers whilst also making arrangements for the next cohort.

**Grant Projects:** In June 2016, PBC was awarded a grant by The City Bridge Trust enabling the charity to train 80 law students per year for three years. Having delivered on all its targets, the project received continuation funding for a further two years from June 2019. The final year of the project was severely affected by the pandemic but nevertheless saw 80 law students receive training with most going on to commence placements at 29 Law Centres and advice agencies. The charity received continuation funding from Tudor Trust for two years from January 2019, being an unrestricted grant, which has made an important contribution to the charity's running costs. In June 2020, PBC was awarded a grant of £17,180 by the London Community Response Fund to set up a digital advice clinic project in association with Citizens Advice Islington which commenced in autumn 2020. PBC also received a grant of £39,289 from the National Lottery Community Fund for a similar pilot project run in partnership with Citizens Advice Haringey which commenced in October 2020. Both projects were for six-month periods and designed to trial the creation of end-to-end digital advice clinics.

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**Accreditation:** PBC was re-commissioned by City University to deliver two credit-bearing Pro Bono Training modules as options within the University's undergraduate and postgraduate law degrees. The LLB module focused on legal advice and welfare benefits law whilst the LLM/BPTC option featured housing and employment law as its specialist content. PBC delivered two other training and placement programmes, which were independently-funded by LSE and University of Westminster. These were not credit-bearing but we hope both universities may look at integrating the modules into their degree courses in the future. PBC opened conversations with a number of other universities, including the University of Law, Goldsmiths and the University of East London, who expressed serious interest in offering either accredited or extra-curricular but fully-funded modules in 2021-22.

**Clinic Projects:** PBC is committed to finding ways to mitigate the constraints on the use of volunteers by advice agencies as a result of limited resources for supervision. In the summer of 2020 we successfully applied for grants from London Community Response Fund and National Lottery Community Fund to set up and run supervised digital advice clinics catering for issues exacerbated by the impact of Covid-19 in partnership with Citizens Advice agencies in Islington and Haringey. Both of these projects were designed as six-month trials and commenced in autumn 2021.

## **Achievements and Performance**

### **Overview**

During the year 217 people from law firms and universities attended PBC training programmes across 12 cohorts. This is 95% of the number trained the previous year (which was almost exactly the same as in 2018-19). The trustees believe that this consistency of output demonstrates the extent to which the charity has been able to mitigate the impact of the pandemic and demonstrate high levels of resilience. We are usually unable to monitor the impact and activities of the lawyers and trainees we train, but the 149 students we trained who went on to commence volunteering placements (excluding those involved in grant-funded projects whose outputs are recorded separately) completed 1574 volunteering sessions and assisted just under 4,000 people in need of legal help. This represents an average of 11 volunteering sessions per volunteer which is substantially more than the previous year. The number of people assisted by these students was almost exactly the same as the previous year, reflecting both the shorter sessions undertaken by remote volunteers but also an increased output in terms of people assisted per volunteer of around 20%. Below, we provide more details of a project which accounts for approximately one-third of the students we train and place.

### **Student Volunteer Training and Placement Project**

In May 2021, PBC completed the final year of an extended five-year volunteer training and placement project funded by City Bridge Trust. As a result of the pandemic and the subsequent delay to placements, PBC had only achieved about 50% of its delivery targets at that time. However, the Trust permitted us to allocate a small underspend to continuing to arrange, manage and monitor placements over the summer and into the autumn. This enabled the charity to achieve outputs that were much nearer the targets and by the end of October 2021 the project had achieved the following headline outputs:

Target law students trained and placed as volunteers: 80  
Actual law students trained and placed as volunteers: 71

Target volunteer days/sessions undertaken: 1040  
Actual volunteer days/sessions undertaken: 811

Target client interactions: 3000  
Actual client interactions: 2587

Target cost per person assisted: £12  
Actual cost per person assisted: £14

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During the course of the project, volunteers were placed at the following Law Centres and advice agencies: Age UK Lambeth, Age UK Kensington, Money A & E, Citizens Advice Haringey, Sufra NW London, Citizens Advice Kensington & Chelsea, Kingston Advocacy Group, IWGB, South West London Law Centres, Disability Law Service, Southwark Advice Plus, Citizens Advice Westminster, Citizens Advice Hammersmith & Fulham, Lewisham Refugee Migrant Network, Community Links, Richmond AID, Kingston Carers Network, Step Up Hub, Advance Charity, Citizens Advice Wandsworth, Citizens Advice Richmond, Haringey Law Centre, Justice for Tenants, Centre 70, Arachne, Account 3, Citizens Advice Waltham Forest, University House Legal Advice Centre, Work Rights Centre.

The volunteers undertook a wide range of tasks depending on their skills, confidence, experience and the needs of the Law Centre or advice agency at which they were volunteering. The typical activities of volunteers involved triaging and exploring issues with clients, discussing the cases with supervisors, drafting advice and then delivering that advice to client. During the year, volunteers were heavily involved in assisting clients with financial problems arising from the impact of the pandemic. Tasks undertaken by volunteers in this respect included: assisting clients to complete benefits and other application forms such as Universal Credit applications, ESA50 forms and PIP applications; appealing PIP decisions, undertaking research and drafting appeal documents; assisting clients to maximise income, e.g. going through their income and expenditure, applying for grants and exploring other options such as Council Tax Reduction applications, schemes offered by utilities suppliers, food bank referrals and food crisis support; interviewing and assisting clients remotely using video conferencing platforms, telephone and email – with many volunteers working on advice lines focusing on employment queries, benefits, and other debt-related queries.

Feedback from agencies, clients and volunteers included the following:

*“Ed has been a fantastic volunteer, starting volunteering one day a week and then increasing to two. I would like to nominate him for the Pro Bono Champion award. He performed comprehensive benefits checks for clients including judging whether clients would be better off on ‘new style’ benefits or remaining on ‘legacy benefits’. He has been very committed, engaged, reliable and dedicated to helping clients.”*

*Bez Ely, Welfare Benefits Adviser, Disability Law Service*

*“Citizens Advice has seen a large increase in members of the public seeking advice during the pandemic and we would only have been able to meet this increased demand through the volunteers provided by PBC.”*

*James Cairns, Volunteer Coordinator, Citizens Advice Kensington and Chelsea*

*“We have been incredibly impressed with the calibre of students placed with us. They demonstrated a good understanding of the advice process, key advice areas, case recording and client care following their initial training with Pro Bono Community. All of the students have been self-motivated and hard-working so the selection process clearly works well.”*

*Helen Jones, Volunteer Development Coordinator, Peterborough CAB*

### **University Accreditation**

One of PBC's strategic objectives is to integrate our training into mainstream legal education, thus increasing the level of support advice agencies receive from well-trained and highly-motivated student volunteers, whilst also developing a positive attitude towards pro bono work in young lawyers and making social welfare law part of the curriculum.

The charity took an important step towards achieving this objective when it formed a partnership with City University whereby PBC delivered a credit-bearing, pro bono training module to City University's undergraduate law students from October 2017. In 2018-19, the university commissioned a second credit-bearing module for postgraduate students doing the LLM/BPTC. Both these modules were re-commissioned in 2019-20 and 2020-21. Training and placement modules for LSE and University of Westminster were also re-commissioned which, though not credit-bearing, were independently-funded by the universities and may be accredited in the future.

A number of other universities including University of Law, Goldsmiths and University of East London expressed serious interest in offering either accredited or extra-curricular but nevertheless fully-funded modules.

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**Expand PBC's Courses to New Regions**

In previous years, PBC has struggled to develop sustainable relationships with advice agencies outside London because these were dependent on participating universities and law firms being located sufficiently nearby for volunteers to travel to the workplace. Following the Covid pandemic and the widespread introduction of remote working PBC was able to place volunteers at advice agencies including Citizens Advice Bedford, Citizens Advice Peterborough, Citizens Advice West Sussex and Citizens Advice Waltham Forest.

**Developing Legal Advice Projects**

PBC is committed to finding ways to mitigate the constraints on the use of volunteers by advice agencies as a result of limited resources for supervision. Furthermore, the charity sought to develop grant applications for projects which address the needs of people whose lives have been adversely affected by Covid-19 and its consequences.

In the summer of 2020, we successfully applied for grants from London Community Response Fund (LCRP) and National Lottery Community Fund (NLCF) to set up and run supervised digital advice clinics which included dedicated resource for supervision and involved PBC more actively in the running of the clinics. The LCRP project was operated in partnership with Citizens Advice Islington and the NLCF project with Citizens Advice Haringey.

Both projects were designed to trial the provision of end-to-end digital advice in which all participants – trainers, supervisors, administrators, volunteers and clients – were located remotely. The projects were focused on groups particularly affected by the impact of Covid-19: benefits claimants in Islington who needed help with ill health and disability benefit claims and challenges; and people living in the private rented sector in Haringey experiencing difficulties with housing, employment and debt. Both projects were delivered successfully, generating income gains for clients well in excess of £100,000 and producing valuable learning for future digital advice clinics.

Over the course of the year, PBC developed new grant applications for similar projects which were submitted to Therium Access, the National Lottery Community Fund and Trust for London. All these applications were successful, but their project commencement dates fall outside the scope of this report.

**Training Programmes**

All PBC's training prior to March 2020 had been delivered face-to-face so the charity's decision in the spring of 2020 to move all its training online for the foreseeable future represented a major challenge. We trialled various tools and settled on Zoom as the most effective and reliable platform for digital training. All the training we provided during the year was delivered online and it was necessary to adapt and revise much of the content to make it suitable for digital delivery. Apart from two pre-recorded lectures all the training was delivered live and, although it is difficult to replicate the intimacy of classroom teaching, we are confident that our online training was as interactive and engaging as it could be. Feedback from attendees was 95% positive which is commensurate with that received in previous years for classroom teaching.

**Our volunteers**

Although we train and place volunteers in other organisations, this year the charity did not itself use volunteers.

**Public benefit statement**

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PD2)'. The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

**FINANCIAL REVIEW**

The financial results for the year are set out in the Statements of Financial Activities on page 12. The charity recorded a net deficit of £27,341 (2020 – net surplus £22,345). The financial position at the year revealed by the Balance Sheet on page 13 shows net current assets or working capital of £65,065 (2020 – £92,406).

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**Principal funding sources**

The charity aims to develop a diverse funding base for its activities. Pro Bono Community continues to attract funding for its various projects from a wide range of other sources – charitable trusts, private companies, individual donations and the charity's own income generating activities (having regard to HMRC and Charity Commission guidance relating to "Charities and Trading").

**Investment powers and policy**

The trustees have considered the most appropriate policy for investing surplus funds and have found that, at this stage, bank deposit accounts provide the appropriate combination of security, accessibility and income growth.

**Reserves policy**

As at 31st August 2021 accounts showed reserves of £65,065 (2020 - £92,406), of which £Nil (2020 - £19,471) was restricted. The unrestricted funds not designated or invested in tangible fixed assets held by the charity are £65,065 (2020 - £72,935).

The trustees seek to ensure that the level of reserves are appropriate for the charity, balancing the need to keep funds aside to mitigate risk against the need to ensure that funds can be spent in furtherance of the charity's aims.

Having regard to the particular circumstances of the pandemic this year, Pro Bono Community's trustees recognised that charities face a variety of risks and that it is important that there are sufficient free reserves to tide an organisation over in difficult financial circumstances or, in the worst case, to allow an organisation to wind up at the same time as meeting its obligations to staff and service users.

The principal risk to Pro Bono Community is an unexpected shortfall in either sales or grant income and the trustees have agreed to keep a certain level of financial reserves to ensure that main operations can continue for a period in the event of severe financial difficulties.

The main concerns of the board are to ensure:

- That staff can continue working, primarily to secure new sales or grant funding; and
- That any service for which income has already been received can be properly fulfilled.

The trustees met regularly during 2020-21 to assess the impact of the pandemic on the charity's finances and agreed to maintain a level of unrestricted reserves which would keep the charity running for up to a year until more was understood about the likely impact of the crisis on the charity's income streams and society returned to normal.

The reserves policy is under regular review by the trustees – in reviewing the reserves policy, the trustees have regard to the Charity Commission's guidance "How to set a reserves policy for your charity".

**FUTURE ACTIVITIES**

PBC's principal strategic objective is to address the urgent and growing need for increased access to high-quality pro bono advice from well-trained and highly-motivated volunteers at Law Centres and other advice agencies. This mission is even more urgent in the light of the coronavirus pandemic and its economic effects, causing people who have never needed advice before to seek assistance with problems related to employment, housing, welfare benefits, debt and other areas of social welfare law.

The charity is also focused on ensuring the charity remains active, effective and resilient in the face of the challenges presented by the coronavirus epidemic. In that context, our aim is to grow the outputs of the charity by building on our income-generating activities and seeking new sources of grant funding.

Additionally, the range of objectives during 2021-22 and beyond include, but are not limited to, the following:

- Build on the success of the City Bridge Trust project by finding a new sponsor for our core student volunteer training and placement scheme;



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**FUTURE ACTIVITIES (Cont/d)**

- Consolidate the relationships with City University, LSE and others by encouraging more universities to adopt similar models which are independently-funded and integrate PBC's training into mainstream legal education;
- Seek to expand PBC's activities outside London, particularly using the opportunity presented by the growth of remote working to link advice agencies in the regions with students based in London and elsewhere;
- Develop grant applications for projects which build on PBC's experience and expertise, particularly ones including dedicated resource for volunteer supervision and addressing the needs of people whose lives have been adversely affected by Covid-19 and its consequences;
- Build the capacity to deliver free legal advice independently through PBC's own digital advice clinic; and.
- Continue to refine the training material delivered by PBC and expand into new areas where a potential demand can be identified.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The organisation is a charitable incorporated organisation (CIO) registered as a charity with the Charity Commission on 2 August 2013 (Charity no. 1153220). The charity is established under a written constitution that specifies the objects and powers of the charity and is also governed under this constitution.

**Recruitment and appointment of Trustees**

New trustees of PBC are appointed by the board of trustees in accordance with clause 9 of PBC's constitution.

PBC recruits and appoints trustees in accordance with the following process:

- The trustees publish an advertisement with a Role Description;
- Interested persons are invited to contact the existing trustees, upon which they are provided with an Application Form, Declaration of Eligibility Forms and the details of current trustees – completion of eligibility forms, including the Charity Commission's trustee declaration, is a requirement pre-appointment of any proposed trustee;
- Applicants are shortlisted and invited for interview, in accordance with internal selection criteria;
- Following a successful interview, the proposed candidate is presented to the board of trustees for approval and formal appointment;
- Successful candidates are notified and provided with accounts, the constitution and the Code of Good Governance.

**Trustee induction and training**

The trustees maintain a good working knowledge of charity governance and best practice by regular reading of charity press articles and guidance produced by the Charity Commission and other Government and voluntary organisation advisory websites. New trustees are given copies of previous minutes and attend an induction session given by an experienced trustee.

**Organisational Structure**

The board of trustees takes strategic and major financial decisions. The trustees of PBC have delegated day-to-day management of PBC to Executive Director Bill Skirrow who, in turn, supervises the work of the part-time training and volunteer coordinator as well as any external suppliers and freelance assistance such as trainers and consultants. The Executive Director works with the trustees to deliver the objectives set out in PBC's business plan and in the terms and conditions of its grants. The Executive Director supervises and manages the relationship with partner organisations including law firms, course providers, Law Centres, advice agencies, suppliers and other third sector organisations.

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**Risk Management**

The trustees have considered the major risks to which PBC is exposed and have reviewed those risks and established systems and procedures to manage them.

PBC's trustees consider that the principal risk to PBC is an unexpected shortfall in either sales or grant income. The charity mitigates this risk in the following ways:

- PBC's income is derived from both sales and grant income, enabling the charity to spread the risk from a shortfall in one income stream or the other.
- PBC has a very lean infrastructure and outsources the majority of its service provision to third parties who are not themselves paid until the relevant income has been received by PBC.
- PBC maintains a level of reserves which would permit it to continue operations for a period of time if such a shortfall were experienced.

The trustees also consider ensuring that funds are properly managed and accounted for is a major risk and the measures put in place to manage this risk include the Board of Trustees receiving regular financial reports from the Executive Director who takes routine day-to-day financial decisions. The Chairman, Secretary and Executive Director have access to the charity's bank account and monitor payments in and out of the account on a regular basis. No payments of more than £500 may be made without the authorisation of two of the three designated account operators. The charity's payroll is handled by the National Pro Bono Centre's Head of Financial and Administration, Andrew Ledward.

**Related parties**

PBC is one of several organisations that worked from the National Pro Bono Centre in Chancery Lane until June 2020. These organisations all operate within the field of pro bono legal assistance but there is no constitutional relationship between PBC and any other organisation. PBC has established informal relationships with organisations in the sector including The London Legal Support Trust, Advice Services Alliance, Advocate, Advice UK, Law Centres Network and Law Works. PBC has developed a relationship with a number of universities to embed the charity's training in their undergraduate and postgraduate courses.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Charity Number:** 1153220

**Company Number:** CE000028

**Trustees:**

Oliver Hyams (Chair)  
Livia Cullens (Co-Vice Chair & Secretary)  
Dinah Crystal OBE (Co-Vice Chair)  
David Dowling  
The Honourable Mr Justice Adam Johnson  
Lindsey Poole – Resigned on 16/04/2021  
Omar Qadir (Treasurer) – Appointed on 28/09/2021  
Steve Levett  
Daniel Laking  
Stephanie Cunningham

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**REFERENCE AND ADMINISTRATIVE DETAILS (Cont/d)**

**Senior Management:** Bill Skirrow – Executive Director

**Registered Office:** 93 Tabernacle Street, London EC2A 4BA

**Correspondence Address:** 93 Tabernacle Street, London EC2A 4BA

**Independent Examiner:** Mr D Terry, Ramon Lee Ltd, 93 Tabernacle Street, London EC2A 4BA

**Bankers:** Triodos Bank, Deanery Road, Bristol BS1 5AS

**TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).


The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable incorporated organisation will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and the financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

This report was approved by the Trustees on 15<sup>th</sup> June 2022 and signed on its behalf:

.....  
  
**Oliver Hyams**  
**(Chair)**

# REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES OF

## PRO BONO COMMUNITY

I report to the trustees on my examination of the accounts of Pro Bono Community (Charitable Incorporated Organisation) for the year ended 31 August 2021 which are set out on pages 12 to 22.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my Independent Examination, for this report, or for the opinions I have formed.

### Responsibilities and basis of report

As the charity trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



**D TERRY – Chartered Accountant**  
**RAMON LEE LTD**  
**93 TABERNACLE STREET**  
**LONDON EC2A 4BA**

**Date: 15<sup>th</sup> June 2022**

# PRO BONO COMMUNITY

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST AUGUST 2021

### SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<b>Income</b>					
Donations	2	-	-	-	25,000
Income from charitable activities	3	49,350	67,414	116,764	111,557
Investment income	4	54	-	54	49
<b>Total income</b>		<b>49,404</b>	<b>67,414</b>	<b>116,818</b>	<b>136,606</b>
<b>Expenditure</b>					
Cost of raising funds	5	20,798	-	20,798	21,237
Charitable activities	5	36,854	86,507	123,361	93,024
<b>Total expenditure</b>		<b>57,652</b>	<b>86,507</b>	<b>144,159</b>	<b>114,261</b>
<b>Net income/(expenditure) before transfer between funds</b>		(8,248)	(19,093)	(27,341)	22,345
<b>Transfer between funds</b>		378	(378)	-	-
<b>Net income/(expenditure) after transfer between funds</b>		(7,870)	(19,471)	(27,341)	22,345
<i>Reconciliation of funds</i>					
Total funds, brought forward		72,935	19,471	92,406	70,061
<b>Total funds, carried forward</b>		<b>65,065</b>	<b>-</b>	<b>65,065</b>	<b>92,406</b>

### CONTINUING OPERATIONS

None of the Charity's activities were acquired or discontinued during the above two financial periods.

### TOTAL RECOGNISED GAINS AND LOSSES

The charity has no recognised gains or losses other than the above movement in funds for the above two financial periods.

The notes on pages 14 to 22 form part of these accounts

# PRO BONO COMMUNITY

## BALANCE SHEET AS AT 31ST AUGUST 2021

	Notes	2021		2020	
		£	£	£	£
<b>Current assets</b>					
Debtors	11	996		1,109	
Cash at bank and in hand		<u>72,449</u>		<u>95,926</u>	
		73,445		97,035	
<b>Liabilities</b>					
Creditors falling due within one year	12	<u>(8,380)</u>		<u>(4,629)</u>	
<b>Net current assets</b>			65,065		92,406
<b>Net assets</b>		<u><b>65,065</b></u>		<u><b>92,406</b></u>	
<b>The funds of the charity:</b>					
Unrestricted funds	13	65,065		72,935	
Restricted funds	13	-		19,471	
<b>Total charity funds</b>		<u><b>65,065</b></u>		<u><b>92,406</b></u>	

Approved by the Trustees on 15<sup>th</sup> June 2022 and were signed on its behalf by:

.......... OLIVER HYAMS (CHAIR)

.......... Livia Velicu  
 .....~~LIVIA CULLEN~~ (SECRETARY)

The notes on pages 14 to 22 form part of these accounts

**PRO BONO COMMUNITY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31ST AUGUST 2021**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of accounts**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charity SORP (FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Pro Bono Community meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest pound.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

**1.2 Legal status of the charity**

The organisation is a charitable incorporated organisation (CIO) registered as a charity with the Charity Commission on 2 August 2013 (Charity no. 1153220). The charity is established under a written constitution that specifies the objects and powers of the charity and is also governed under this constitution.

**1.3 Preparation of accounts on a going concern basis**

The Charity's Accounts shows net deficit of £27,341 (2020 – Net surplus £22,345) for the year and free reserves of £65,065 (2020 - £72,935). The trustees are of the view that these results have secured the immediate future of the Charity for the next 12 months and on this basis the Charity is a going concern.

**1.4 Funds structure**

The general fund comprises those monies, which may be used toward meeting the charitable objectives of the company at the discretion of the Management Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor imposed conditions.

**1.5 Income**

All income is included in the statement of financial activities when the Charity is legally entitled to it, receipt is probable and the amount can be measured with sufficient reliability.

**Grant income**

Grants are credited to the statement of financial activities when the Charity is entitled to the funds. Income is only deferred where there are time constraints imposed by the donor or if the funding is performance related.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met.

Grants supporting the core activities of the Charity and with no specific restrictions placed upon their use are included within donations and legacies. Grants that have specific restrictions placed upon their use are included within income from charitable activities.

Capital grants for the purchase of fixed assets are credited to restricted incoming resources on the earlier date of when they are received or receivable. Depreciation on the related fixed assets is charged against the restricted fund.

**PRO BONO COMMUNITY**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST AUGUST 2021**

**1.5 Income (Cont/d)**

**Donations and legacies**

Donations are recognised in the period in which they are received. Legacy income is recognised when the charity's entitlement is judged to be probable and where the amount can be reliably measured.

**Contract income**

Income from charitable activities include income recognised as earned (as the related goods and services are provided) under contract.

**1.6 Donated goods and services**

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item is probable and that economic benefit can be measured reliably.

Donated professional services and facilities are included in income at the estimated value of the gift to the charity when received, based on the amount that the charity would have been prepared to pay for these services or facilities had it been required to purchase them, with a corresponding entry in the appropriate expenditure heading for the same amount. Donated fixed assets are similarly taken to income at the value to the charity with the other entry being capitalised in fixed assets.

**1.7 Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis under the following headings:

- (a) Cost of raising funds includes staff time used to raise grants and donations and their associated support costs.
- (b) Expenditure on charitable activities include expenditure associated with the main objectives of the Charity and include both direct costs and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**1.8 Allocation of support costs**

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the charity and include governance cost, finance, and office costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the charity. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 6.

**1.9 Volunteers**

The value of the services provided by volunteers is not incorporated into these financial statements. Further details of their contribution is provided in the trustees' report.

**1.10 Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.



**PRO BONO COMMUNITY**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST AUGUST 2021**

**1.11 Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.12 Creditors**

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

**1.13 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**1.14 Taxation**

The Charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

**1.15 Judgement and key sources of estimation uncertainty**

In the application of the Charity's accounting policies, the charity is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**1.16 Pension**

The Charity operates a defined contribution pension scheme on behalf of its employees. Contributions are charged to the Statement of Financial Activities in the period in which they are payable. The assets of the scheme are held separately from those of the charity in an independently administered fund.

**1.17 Cash flow statement**

The charitable incorporated organisation qualifies as a small charity and advantage has been taken of the exemption provided by SORP (FRS 102) as amended by Bulletin 2, not to prepare a cash flow statement.

**PRO BONO COMMUNITY**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST AUGUST 2021**

**2. GRANTS AND DONATIONS**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Tudor Trust	-	-	-	25,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>

Grants and donations income in 2020 totalling £25,000 was attributed to unrestricted funds.

**3. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<i>Legal Advice Training</i>				
<i>Grant income</i>				
City Bridge Trust	-	28,125	28,125	35,702
National Lottery Community Fund	-	39,289	39,289	-
The Legal Education Foundation	-	-	-	7,875
London Community Response Fund	-	-	-	17,180
Training fees and sponsorship	49,350	-	49,350	50,800
	<u>49,350</u>	<u>67,414</u>	<u>116,764</u>	<u>111,557</u>

Income from charitable activities in 2020 totalling £111,557 was attributed £50,800 to unrestricted funds and £60,757 to restricted funds.

**4. INVESTMENT INCOME**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Interest Income	54	-	54	49
	<u>54</u>	<u>-</u>	<u>54</u>	<u>49</u>

Investment income in 2020 totalling £49 was attributed to unrestricted funds.

**PRO BONO COMMUNITY**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST AUGUST 2021**

**5. ANALYSIS OF EXPENDITURE**

	<b>Raising funds</b>	<b>Legal advice training</b>	<b>Total 2021</b>	<b>Total 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Salary costs	16,153	42,598	58,751	62,630
Other direct costs	-	37,466	37,466	26,109
Grant to Institutions (Note 7)	-	25,646	25,646	-
Marketing and promotion	-	-	-	130
Support costs (Note 6)	4,364	16,582	20,946	24,102
Governance costs (Note 6)	281	1,069	1,350	1,290
	<u>20,798</u>	<u>123,361</u>	<u>144,159</u>	<u>114,261</u>

Of the £144,159 expenditure in 2021 (2020 - £114,261), £57,652 was charged to unrestricted funds (2020 - £62,965) and £86,507 to restricted funds (2020 - £51,296).

**6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS**

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between charity's key activity undertaken (see note 5) in the year. All the general support and governance costs have been apportioned to the various charitable activities on the basis of staff time allocated to each activity.

	<b>Support costs</b>	<b>Governance costs</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Office and administration staff	16,153	-	16,153	16,159
Premises costs	-	-	-	3,794
Communication and IT costs	2,292	-	2,292	2,171
Insurance	662	-	662	575
Staff recruitment expense	490	-	490	325
Miscellaneous expenses	1,349	-	1,349	1,078
Independent examination fees	-	1,350	1,350	1,290
	<u>20,946</u>	<u>1,350</u>	<u>22,296</u>	<u>25,392</u>

**PRO BONO COMMUNITY**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST AUGUST 2021**

**7. GRANTS TO INSTITUTIONS**

	<b>Total</b>	<b>Total</b>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Citizens Advice Haringey	25,646	-
	<u>25,646</u>	<u>-</u>

**8. NET INCOME/(EXPENDITURE) FOR THE YEAR**

This is stated after charging:

	<b>Total</b>	<b>Total</b>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Independent Examination Fees	1,350	1,290
	<u>1,350</u>	<u>1,290</u>

**9. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES, AND COST OF KEY MANAGEMENT PERSONNEL**

The total staff costs were:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	68,150	71,098
Social security costs	3,692	4,182
Pension	3,061	3,510
	<u>74,903</u>	<u>78,790</u>

No employee received remuneration in excess of £60,000 during the year (2020 – £Nil).

No trustee or member of the Management Committee received any remuneration or reimbursement of expenses during the year (2020 - £Nil).

The key management personnel of the charity comprise the Executive Director. The total employee benefits of the key management personnel of the charity were £64,611 (2020 - £64,637).

**10. STAFF NUMBERS**

The average monthly equivalent full-time number of staff employed by the Charity during the period was as follows:

	<b>2021</b>	<b>2020</b>
Direct charitable work	1.00	1.00
Raising funds	0.25	0.25
Office and administration	0.25	0.25
	<u>1.50</u>	<u>1.50</u>

**PRO BONO COMMUNITY**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST AUGUST 2021**

**11. DEBTORS**

	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Prepayments	996	788
Other Debtors	-	321
	<u>996</u>	<u>1,109</u>

**12. CREDITORS: amounts falling due within one year**

	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Taxation and social security	680	1,339
Accruals	2,700	1,290
Deferred Income (Note 15)	5,000	2,000
	<u>8,380</u>	<u>4,629</u>

**13. NET MOVEMENTS IN FUNDS**

	<b>Balance as at 01.09.20 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfer £</b>	<b>Balance as at 31.08.21 £</b>
<b>Restricted funds:</b>					
City Bridge Trust	2,356	28,125	30,481	-	-
National Lottery Community Fund	-	39,289	38,911	(378)	-
Law Society Charity	1,790	-	1,790	-	-
London Community Response Fund	15,325	-	15,325	-	-
	<u>19,471</u>	<u>67,414</u>	<u>86,507</u>	<u>(378)</u>	<u>-</u>
<b>Unrestricted funds:</b>					
General funds	72,935	49,404	57,652	378	65,065
Total funds	<u>92,406</u>	<u>116,818</u>	<u>144,159</u>	<u>-</u>	<u>65,065</u>

**PRO BONO COMMUNITY**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST AUGUST 2021**

**13. NET MOVEMENTS IN FUNDS (Cont/d)**

**Net movement in funds – previous year**

	Balance as at 01.09.19 £	Income £	Expenditure £	Transfer £	Balance as at 31.08.20 £
<b>Restricted funds</b>					
City Bridge Trust	7,345	35,702	40,691	-	2,356
Law Society Charity	1,790	-	-	-	1,790
The Legal Education Foundation	875	7,875	8,750	-	-
London Community Response Fund	-	17,180	1,855	-	15,325
<b>Total restricted funds</b>	<b>10,010</b>	<b>60,757</b>	<b>51,296</b>	<b>-</b>	<b>19,471</b>
<b>Unrestricted funds</b>					
General funds	60,051	75,849	62,965	-	72,935
<b>Total funds</b>	<b>70,061</b>	<b>136,606</b>	<b>114,261</b>	<b>-</b>	<b>92,406</b>

**Description, nature and purpose of restricted funds:**

**City Bridge Trust:** Grant towards a part-time salary, training costs and overheads to train law students to volunteer in community advice agencies.

**Law Society Charity:** Grant towards activities in London.

**London Community Response Fund:** Grant funding for a digital advice clinic project in June 2020.

**National Lottery Community Fund:** Funding a six-month digital advice pilot project operated in partnership with Citizens Advice Haringey supporting people with housing, welfare benefits and debt problems exacerbated by the Covid-19 pandemic.

**Legal Education Foundation- University accreditation:** Grant funding of towards Pro Bono Community Accredited Volunteer Training and Placement Scheme.

**Description, nature and purpose of unrestricted funds:**

**General funds:** General fund represents funds available to spend at the discretion of the Trustees.

**PRO BONO COMMUNITY**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST AUGUST 2021**

**14. ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Net current assets	65,065	-	65,065
	<u>65,065</u>	<u>-</u>	<u>65,065</u>

**Analysis of fund balances between net assets – previous year**

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Net current assets	72,935	19,471	92,406
	<u>72,935</u>	<u>19,471</u>	<u>92,406</u>

**15. DEFERRED INCOME**

	Total 2021 £	Total 2020 £
Balance as at 1st September	2,000	6,500
Amount released to income in the year	(2,000)	(4,500)
Amount Deferred in the year	5,000	-
Balance as at 31st August	<u>5,000</u>	<u>2,000</u>

Deferred income represents fees received from Goldsmiths University for services to be delivered 2021-2022.

**16. PENSION COSTS**

The pension cost charge represents contributions payable by the charity to the fund and amounted to £3,061 (2020 - £3,510). Contributions totalling £45 (2020 - £175) were prepayment to the fund at the year end and are included in debtors.

**17. RELATED PARTY TRANSACTIONS**

No related party transactions took place in the year.